

BEFORE THE STATE AUDITOR, EX-OFFICIO COMMISSIONER OF SECURITIES  
FOR MONTANA

IN THE MATTER OF:

RICHARD H. WESTERMAN,  
individually and in his capacity as a  
securities salesperson for Raymond James,

RAYMOND JAMES  
FINANCIAL SERVICES, INC.  
880 Carillon Parkway  
St. Petersburg, FL 33716

Respondents.

CASE NO.: Case C-05-04-06-225

CONSENT AGREEMENT  
(Westerman)

Consent Agreement dated this 30<sup>th</sup> day of October, 2007, between the  
State of Montana Securities Department of the office of the State Auditor as Commissioner of  
Securities of the state of Montana (Department), acting pursuant to the authority of the Securities  
Act of Montana, § 30-10-101, et seq., Montana Code Annotated (2005), and Respondent Richard  
H. Westerman (Westerman).

**RECITALS**

WHEREAS, the Department issued a Notice of Proposed Agency Action on or about  
May 31, 2007, alleging Westerman executed unsuitable and unauthorized trades in a customer  
account, in violation of the Montana Securities Act;

WHEREAS, the Department and Westerman have investigated the matter to their satisfaction; and

WHEREAS, the Department has found that the best interests of the investing public and the securities industry in Montana will be served by entering into this Agreement and its specific undertakings.

NOW THEREFORE, in consideration of the mutual undertakings in this Agreement, the Department and Westerman hereby agree to resolve their differences and settle this matter pursuant to the following terms and conditions:

**I. SUMMARY OF ALLEGATIONS**

A. The Notice of Proposed Agency Action alleges Westerman executed unsuitable and unauthorized trades in a Montana customer's IRA account in violation of the Montana Securities Act.

**II. STIPULATIONS AND CONSENTS**

A. Without admitting or denying any wrongdoing or the allegations cited herein, Westerman stipulates and agrees as follows:

1. To pay restitution to the customer in the amount of \$15,000;
2. To not seek registration as a securities salesperson or an investment advisor representative or an investment advisor in Montana; and
3. To comply with the terms and conditions of this Consent Agreement and with the securities laws and regulations of Montana.

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B. Pursuant to the stipulations and agreements by Westerman, the Department, under authority of the Montana Securities Act, and § 2-4-603, Montana Code Annotated (2005), hereby agrees that:

1. The Department has determined and shall execute contemporaneous with the Consent Agreement such documents and take such actions as are required to dismiss the Action with prejudice with respect to Westerman, seeking an order that recognizes this Agreement as final resolution of the matter.

C. All parties to this Consent Agreement agree and acknowledge:

1. This Consent Agreement constitutes the entire agreement between the parties, there being no other promises or agreements, either express or implied. Under authority of the Montana Securities Act, the Department hereby agrees that it will not initiate any civil or administrative actions against Westerman regarding or related to the allegations contained in the present Notice of Proposed Agency Action. Respondent Westerman fully and forever releases and discharges the Office of the State Auditor, the elected State Auditor and all State Auditor employees from any and all actions, claims, causes of action, demands, or expenses for damages or injuries that may arise from the allegations underlying this Consent Agreement, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Notice of Proposed Agency Action.

2. Upon execution and acknowledgement of the Consent Agreement the State Auditor will file with the hearing examiner a Motion and Stipulation to Dismiss the Action, with prejudice, with respect to Westerman.

3. The Statute of Limitation is tolled for two (2) years from the date of consummation of this consent agreement with regard to the allegations set forth above. In the event Westerman violates the terms of this Consent Agreement at any time during the two-year

tolling period the State Auditor's Office reserves the right to seek a fine in the amount of \$75,000.

DATED this 30<sup>th</sup> day of October, 2007.

MONTANA SECURITIES DEPARTMENT

By: Lynne Egan  
Lynne Egan  
Department Securities Commissioner

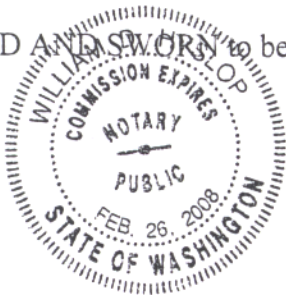
SUBSCRIBED AND SWORN to before me this 30<sup>th</sup> day of October, 2007.

Michele Marie Anglin  
Notary Public for the State of Montana  
Residing at Helena, MT  
My Commission expires: March 29, 2008

DATED this 24<sup>th</sup> day of October, 2007.

Richard H. Westerman  
Richard H. Westerman

SUBSCRIBED AND SWORN to before me this 24<sup>th</sup> day of October, 2007.



Wm. D. Hyslop  
Notary Public for the State of Washington  
Residing at Spokane  
My Commission expires: 2/26/08